



Doncaster Council

Report

Date: 26th November 2021

To the Chair and Members of the AUDIT COMMITTEE

PREVENTING AND DETECTING FRAUD AND ERROR – October 2020 to September 2021

EXECUTIVE SUMMARY

1. This attached Report summarises the work done by the Council during the period October 2020 to September 2021 to prevent, detect and investigate fraud and corruption in line with the Government's *Fighting Fraud and Corruption Locally Strategy* and minimise errors whether caused by fraud or not.
2. The report shows that the overall incidence of fraud remains very low in general terms, taking into account the scale of the Council's activities. Proactive counter fraud activities to prevent and detect fraud and error early continue to be a focus in the Council's strategy.
3. The fraud landscape for the council has continued to shift throughout the period covered by this report with various grants covering businesses and grants also available to support individuals and those self-isolating due to Covid-19 infection..
4. The Council's approach to these grants has continued to be to check the grants before payment to minimise fraud and error but additional post payment checks have been undertaken on most of these grants to ensure that frauds and errors were detected.
5. Fraud and error highlighted in the report include:

• National Fraud Initiative actual detected fraud and errors	£9,094
• 3,556 Covid Self-Isolation Payments refused	----
• 154 detected cases of fraud or error in Business Rates Grants paid	£403,482
• 652 Council Tax Single Persons Discounts	£183,431

cancelled

- 6 prosecutions relating to Blue Badge fraud. ----
- Housing Benefit – 197 cases referred to the Single Fraud Investigation Service (Department for Work and Pensions) for investigation with 5 Direct Earnings Attachments to recover historically written off debt. Debt recovered has been listed to the right. **£307,652**
- Proactive checks by the Council and its partners prevented / detected 158 duplicated invoices. **£1,627,463**
- Teacher's pensions overpayments to deceased individuals were detected totalling. **£18,115**

EXEMPT REPORT

6. This report is not exempt.

RECOMMENDATIONS

7. The Audit Committee is asked to support the production of the Preventing and Detecting Fraud and Error report and agree to appropriate publicity being produced to highlight the outcomes from the Council's anti-fraud activity and to act as a deterrent to fraud.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

8. Fraud and corrupt activity divert scarce resources away from Council services. They cost the taxpayer money that could have been used for the benefit of local citizens. Maintaining a strong counter fraud stance helps to minimise fraud losses and deter fraudulent activity.

BACKGROUND

9. The production of an annual fraud response report, which details the work done to counter fraud and corruption, is in line with the requirements of the Fighting Fraud and Corruption Locally Strategy for local government. Doncaster Council adopts a risk based approach to fraud and seeks to educate staff on identifying fraudulent behaviour, educate managers to assess the risks of fraud in their areas and to detect and investigate fraud where it is identified. The Council's commitment to combatting fraud and corruption is contained in the Anti-Fraud and Corruption Framework which is approved by the Audit Committee.

OPTIONS CONSIDERED

10. Not applicable

REASON FOR RECOMMENDED OPTION

11. Not applicable

IMPACT ON THE COUNCIL'S KEY OUTCOMES

12.

	Outcomes	Implications
	<p>Doncaster Working: Our vision is for more people to be able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future;</p> <ul style="list-style-type: none"> • Better access to good fulfilling work • Doncaster businesses are supported to flourish • Inward Investment 	<p>No implications.</p>
	<p>Doncaster Living: Our vision is for Doncaster's people to live in a borough that is vibrant and full of opportunity, where people enjoy spending time;</p> <ul style="list-style-type: none"> • The town centres are the beating heart of Doncaster • More people can live in a good quality, affordable home • Healthy and Vibrant Communities through Physical Activity and Sport • Everyone takes responsibility for keeping Doncaster Clean • Building on our cultural, artistic and sporting heritage 	<p>Fraud and error reduces the money available to the public purse and, therefore, has an impact on the Council's ability to provide services and develop Doncaster for its citizens.</p> <p>Blue badge fraud has a direct negative impact on the available parking spaces in the town centre for individuals with reduced mobility.</p>
	<p>Doncaster Learning: Our vision is for learning that prepares all children, young people and adults for a life that is fulfilling;</p> <ul style="list-style-type: none"> • Every child has life-changing learning experiences within and beyond school • Many more great teachers work in Doncaster Schools that are good or better • Learning in Doncaster prepares young people for the world of work 	<p>No implications</p>
	<p>Doncaster Caring: Our vision is for a borough that cares together</p>	<p>No implications.</p>

	Outcomes	Implications
	for its most vulnerable residents; <ul style="list-style-type: none"> • Children have the best start in life • Vulnerable families and individuals have support from someone they trust • Older people can live well and independently in their own homes 	
	Connected Council: <ul style="list-style-type: none"> • A modern, efficient and flexible workforce • Modern, accessible customer interactions • Operating within our resources and delivering value for money • A co-ordinated, whole person, whole life focus on the needs and aspirations of residents • Building community resilience and self-reliance by connecting community assets and strengths • Working with our partners and residents to provide effective leadership and governance 	Error and fraud against the Council directly affect the public purse by reducing the amount of monies available to the Council to provide services and improvements for Doncaster citizens.

RISKS AND ASSUMPTIONS

13. Failure to address fraud and corruption risks causes:-

- reputational damage to the Council from fraud and corrupt practices;
- diverts scarce resources away from priority services to the detriment of our citizens.

LEGAL IMPLICATIONS [SRF 05/11/21]

14. The Council is obliged to minimise the loss of resources resulting from fraud and corruption. It is also obliged to publish the data in this report under the requirements of the Government's Transparency Agenda which assists the Council in demonstrating it is delivering value for money. This information will be published on the Council's website.

FINANCIAL IMPLICATIONS [ST 05/11/21]

15. Failure to minimise and effectively deter and combat fraud and corruption detracts from Council funds and therefore Council service delivery at a time of increased budgetary pressure and service demands.

16. The financial benefits of effectively minimising fraud in this period can be found in the body of the report.

HUMAN RESOURCE IMPLICATIONS [RH 08/11/21]

17. Whilst there are no resource implications caused directly by this report, there are Human Resources implications where employees undertake fraud, (or are alleged to have undertaken). In these cases, Human Resources should be involved in all investigations to ensure that these are conducted properly, appropriate and timely action is taken in relation to the allegation.

TECHNOLOGY IMPLICATIONS [PW 05/11/21]

18. There are no technology implications in relation to this report

HEALTH IMPLICATIONS [RS 01/11/21]

19. There are no direct health implications in this report. Effective audit and governance should contribute to improved health and wellbeing by maximising the effectiveness of public spending. Preventing and detecting fraud and error is a contributor to good governance.

EQUALITY IMPLICATIONS [NFW 09/11/21]

20. Every citizen in Doncaster is affected by fraud both as a result of fraud committed against them and fraud committed against the Council. Whilst every citizen is affected, fraudsters generally target citizens with protected characteristics such as the young, the elderly, those with mental health issues or those with learning disabilities. Similarly, reductions in the Council's spending power as a result of fraud and error reduce monies available to support Doncaster Citizens. Whilst every citizen is again affected by this, groups with protected characteristics are the most vulnerable to these affects as they access a higher proportion of Council services.

CONSULTATION

21. None

BACKGROUND PAPERS

22. The Council's Anti-Fraud and Corruption Framework (available on the Council's website and approved by the Audit Committee).

GLOSSARY OF ACRONYMS AND ABBREVIATIONS

23. All abbreviations and acronyms are written in full in the report with their abbreviations used only after the first instance. Items used are:
- NFI – National Fraud Initiative
 - DWP – Department of Work and Pensions
 - CTRS Council Tax Reduction Scheme
 - SFIS – Single Fraud Investigation Service (the benefits fraud investigatory arm of the Department of Work and Pensions)

- DEA – Direct Earnings Attachments

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Appendices

Appendix 1 – Preventing and Detecting Fraud and Error – October 2020 to September 2021

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